COMPLAINT FOR DECLARATORY
DETERMINATIONS, JUDGMENTS AND INJUNCTIONS - 1

Eugster Law Office PSC 2418 West Pacific Avenue Spokane, Washington 99102-6422 (509) 624-5566 / eugster @eugsterlaw.com

#### **ABSTRACT**

**ISSUE PRESENTED:** Whether the Washington Supreme Court has authority to reject a Washington Bar Association member referendum petition calling for the reduction of license fees set by the WSBA Board of Governors.

The Washington State Bar Association, on September 30, 2016, was an integrated bar under the Washington Bar Act of 1933. As an integrated bar association it had the power (1) to regulate and discipline the members of the association and (2) to improve the quality of legal services.

At that September afternoon meeting of the WSBA Board of Governors the BOG amended the WSBA Bylaws. In so doing the BOG reformed the association into an integrated association of lawyers, Limited Practice Officers and Limited License Legal Technicians. Also, the BOG made the changed association responsible for regulation and discipline of all of the members of the association, lawyers, LPOs and LLLTs.

These changes were primarily orchestrated by the joint efforts of the WSBA Executive Director, Chief Disciplinary Counsel and President. An essential part of these efforts was the advancement of a fiction that Supreme Court has "inherent and plenary authority to regulate the practice of law in Washington" and that this means the Court has "ultimate authority over the regulation of the Bar, the practice of law, and the WSBA itself—notwithstanding conflicting statutes."

This action asserts the Supreme Court does not have such expansive authority over the WSBA and the lawyers who are compelled to be members of and to pay dues to the WSBA in order to practice law in Washington.

There is a broader and more pervasive illegality to the WSBA created by the amendments to the WSBA Bylaws. It is this: The WSBA Executive Director, Chief Disciplinary Counsel and President and the WSBA Board of Directors are intent on giving control of the WSBA to the Washington Supreme Court. The Supreme Court seeks the result and approves of the fiction the WSBA leadership has advanced.

The justices of the Supreme Court and the WSBA are wrong. The Court does not have the power it thinks it has as this case will show.

<sup>&</sup>lt;sup>1</sup> Proposed court rules GR 12 and GR 12.2.

<sup>&</sup>lt;sup>2</sup> WSBA Governance Task Force Report and Recommendations June 2014.

## COMPLAINT

Plaintiff, Stephen Kerr Eugster, alleges as follows:

## PARTIES, JURISDICTION, AND VENUE

- 1. Plaintiff, Stephen Kerr Eugster, is a member of the Washington State Bar Association WSBA 1933 and WSBA 2017, see paragraph 6 below.
- 2. Defendant Supreme Court of the State of Washington is the court created by Wash. Const. Art. IV, Section 2 and Section 2a (a special supreme court if the current supreme court has partiality, bias, concerns or appearances).
- 3. Defendants, Justices Mary E. Fairhurst, Charles W. Johnson, Barbara A. Madsen, Susan Owens, Debra L. Stephens, Charles K. Wiggins, Steven C. González, Sheryl Gordon Mccloud, and Mary I. Yu are the judges of the Supreme Court pursuant to Wash. Const. Art. IV, Section 3.
- 4. Defendant Justices are currently implementing and enforcing the unlawful and unconstitutional practices and policies complained of in this action. Each such Defendant is sued individually in his official capacity, or her official capacity, as the case may be.
- 5. Defendant Washington State Bar Association is that "bar association" created or resulting from recent amendments to the bylaws of the Washington State Bar Association.
- 6. The WSBA prior to the amendments is sometimes referred to herein as WSBA 1933 or as WSBA 1933-2016; the "WSBA" [sic, "bar" is not the right word for what was created] as a result of the amendments, is sometimes referred to herein as WSBA 2017.
- 7. Defendants Washington State Bar Association, President Robin L. Haynes, Executive Director Paula C. Littlewood, and Chief Disciplinary Counsel Douglas J. Ende, are currently implementing and enforcing the unlawful and unconstitutional practices and policies complained of in this action. Each such individual Defendant is sued in his official capacity, or her official capacity, as the case may be.
  - 8. Venue of the action is proper in Thurston County, Washington.
- 9. The court has authority under RCW Ch. 7.24, Uniform Declaratory Judgments Act, to render Declaratory Judgments concerning important issues, which require decision and has authority to implement its Declaratory Judgments. (RCW Ch. 7.24).

- 10. This is also an action under the Civil Rights Act of 1871, specifically, 42 U.S.C. § 1983, to redress the deprivation, under color of state law, of rights, privileges, and immunities secured to Plaintiff Eugster by the Constitution of the United States and the First, Fifth and Fourteenth Amendments thereto. The jurisdiction of this Court, therefore, is also invoked under 28 U.S.C. § 1343(a)(3), (4).
- 11. This is also a case of actual controversy between Plaintiff Eugster and Defendants because Plaintiff Eugster is seeking a declaration of his rights under the Constitution of the United States which are currently under siege by the Defendants; and under RCW 7.24, this Court may declare the rights of Plaintiff Eugster and grant further necessary and proper relief, including preliminary and permanent injunctive relief.

#### **CONSTITUTIONAL STANDARDS**

- 12. Under 42 U.S.C. § 1983, every person who, under color of state law, subjects any citizen of the United States to the deprivation of "rights, privileges, or immunities secured by the Constitution and laws," shall be liable to the injured party.
- 13. The First and Fourteenth Amendments to the United States Constitution protect not only Plaintiff Eugster's freedom to associate, but his freedom not to associate; and protects not only his freedom of speech, but his freedom not to speak and to not subsidize group speech with which an he disagrees.
- 14. The Fifth and Fourteenth Amendments to the United States Constitution protect Plaintiff Eugster's the right of due process of law.
- 15. The doctrines of constitutional strict or exacting scrutiny (or other scrutiny) ensure that the fundamental rights of Plaintiff Eugster may only be infringed under certain circumstances. Plaintiff Eugster's fundamental constitutional rights prevail and thus defeat the conduct of Defendants, and each of them described herein.

#### **GENERAL FACTS**

#### WSBA 1933-2016 and WSBA 2017

16. The Washington State Bar Association was created by the State Bar Act of 1933. Wash. Laws 1933 ch. 94. (WSBA 1933-2016).

- 17. The Bar Act was a part of the Integrated Bar Movement of the early part of the 20<sup>th</sup> Century.<sup>3</sup>
  - 18. The characteristics of the integrated bar are as follows:
  - a. Every lawyer admitted in state to practice law must be a member of the bar association. Only lawyers can be members of the bar association.
    - b. The bar association performs admission, regulation and discipline functions.
  - c. The purposes of the integrated bar are (a) regulating the legal profession and (b) improving the quality of legal services. *Keller v. State Bar of Cal.*, 496 US 1, 13 (1990).
- 19. The WSBA of the Bar Act of 1933 (WSBA 1933-2016) came to an end during the afternoon of September 30, 2016, at a regularly called meeting of the WSBA Board of Governors in Seattle.
- 20. At that time, the Board of Governors made significant amendments to the bylaws of the WSBA 1933.
  - 21. The amendments became effective on January 1, 2017 (WSBA 2017).
  - 22. The amended bylaws bring WSBA 1933-2016 to and end because:
  - a. Instead of an integrated bar association, that is a compelled association of lawyers, WSBA 2017 is a compelled association of (a) lawyers admitted to the bar of the Washington Supreme Court, (b) Limited Practice Officers (LPO's) (APR<sup>4</sup> 12) and (c) Limited License Legal Technicians (LLLT's) (APR 28).
  - b. The amended bylaws provide that the WSBA 2017 is to operate a discipline system for all of compelled members, namely; lawyers, Limited Practice Officers and Limited License Legal Technicians.

<sup>&</sup>lt;sup>3</sup> Herbert Harley initiated the integrated movement in this country in an address to Lancaster County, Neb. Bar Ass'n, Dec. 28, 1914. 5. See Winters, Integration of the Bar-You Can't Lose, 39 J. Am. Jud. Soc'y 140, 141 (1956).

<sup>&</sup>lt;sup>4</sup> Washington Admission and Practice Rules.

26

27

28

c. The amended bylaws keep the name "Washington State Bar Association" for WSBA 2017, but the name is a misnomer because the association is now made of lawyers, Limited Practice Officers and Limited License Legal Technicians.

#### **WSBA Governance Task Force**

- 23. The history of WSBA 2017 began in 2012 when the Board of Governors created a Governance Task Force.
  - 24. The Task Force generated its final report in 2014.
- 25. At it's regular meeting on September 29-30, 2016, the Board of Governors amended the bylaws of WSBA 1933.
- 26. The Task Force Report was based upon a particular view of the power of the Washington State Supreme Court expressed in the Task Force final Report.
  - 27. The view:

[the] Supreme Court has made it clear, based on separation of powers, that it holds ultimate authority over the regulation of the Bar, the practice of law, and the WSBA itself—notwithstanding conflicting statutes.

WSBA Governance Task Force Report, June 2014 at page 23.

- 28. This view is contrary to the law of Washington and the Washington Constitution, it is a fiction.
- 29. Defendants Haynes, Littlefield and Ende support this fiction and have caused the WSBA Board of Governors, and the Defendant Justices of the Supreme Court to subscribe to this fiction.

#### **Instances of Supreme Court Assertion of Power**

- 30. There are many instances where the Defendants, and the Court assert power over the Washington State Bar Association and the members of the bar association.
- 31. Boards and Committees. Pursuant to GR 12.2 Washington State Bar Association Administration of Supreme Court-created Boards and Committees

[T]he Supreme Court has delegated to the Washington State Bar Association the authority and responsibility to administer certain boards and committees established by court rule or order. This delegation of authority includes providing and managing staff, overseeing the boards and

committees to monitor their compliance with the rules and orders that authorize and regulate them, paying expenses reasonably and necessarily incurred pursuant to a budget approved by the Board of Governors, performing other functions and taking other actions as provided in court rule or order or delegated by the Supreme Court, or taking other actions as are necessary and proper to enable the board or committee to carry out its duties or functions.

- 32. Limited Practice Officers. APR 12 is the Limited Practice Rule for Limited Practice Officers. It provides in relevant part:
  - (3) Expenses of the Board. Members of the Board shall not be compensated for their services. For their actual and necessary expenses incurred in the performance of their duties, they shall be reimbursed by the Board in a manner consistent with its rules. All such expenses shall be paid pursuant to a budget submitted to and approved by the Washington State Bar Association on an annual basis. Funds accumulated from examination fees, annual fees, and other revenues shall be used to defray all expenses of the Board. The administrative support to the Board shall be provided by the Washington State Bar Association. [Emphasis added.]
- 33. Limited License Legal Technicians. APR 28 is the Limited Practice Rule for Limited License Legal Technicians. It provides in relevant part:
  - (4) Administration and Expenses of the Board. The Washington State Bar Association shall provide reasonably necessary administrative support for the Board. Members of the Board shall not be compensated for their services but shall be reimbursed for actual and necessary expenses incurred in the performance of their duties according to the Washington State Bar Association's expense policies. Funds accumulated from examination fees, annual fees, and other revenues shall be used to defray the expenses of the Board. All anticipated expenses and anticipated revenues shall be submitted on a proposed budget for approval by the Washington State Bar Association's Board of Governors. [Emphasis added.]
- 34. Plaintiff Eugster and the other lawyer members of WSBA 2017 must pay for these undertakings imposed on WSBA 2017 by the Defendants Court and Justices of the Court.
- 35. If Plaintiff Eugster does not pay dues to the WSBA to support these undertakings, he will be suspended from the practice of law and may be disbarred.

## **Proposed Rules, GR 12**

36. Defendants WSBA, Haynes, Littlewood and Ende have proposed changes to GR 12.

- 37. The proposed changes were submitted to the Supreme Court on or about October 17, 2016.
- 38. The proposed changes submitted by Defendants WSBA, Haynes, Littlewood and Ende to GR 12 are as follows:

# a. RULE 12. REGULATION OF THE PRACTICE OF LAW

The Washington Supreme Court has inherent and plenary authority to regulate the practice of law in Washington. The legal profession serves clients, courts, and the public, and has special responsibilities for the quality of justice administered in our legal system. The Court ensures the integrity of the legal profession and protects the public by adopting rules for the regulation of the practice of law and actively supervising persons and entities acting under the Supreme Court's authority.

[Underlining in original showing the language Is proposed.]

# b. RULE 12.1. REGULATORY OBJECTIVES

<u>Legal services providers must be regulated in the public interest.</u>
<u>In regulating the practice of law in Washington, the Washington Supreme Court's objectives include:</u>

- A. Protection of the public:
- B. Advancement of the administration of justice and the rule of law;
- <u>C.</u> <u>Meaningful access to justice and information about the law, legal issues, and the civil and criminal justice systems;</u>
- D. Transparency regarding the nature and scope of legal services to be provided, the credentials of those who provide them, and the availability of regulatory protections:
- E. Delivery of affordable and accessible legal services:
- F. Efficient, competent, and ethical delivery of legal services:
- G. Protection of privileged and confidential information;
- H. Independence of professional judgment:
- I. Accessible civil remedies for negligence and breach of other duties owed, disciplinary sanctions for misconduct, and advancement of appropriate preventive or wellness programs:

J. Diversity and inclusion among legal services providers and freedom from discrimination for those receiving legal services and in the justice system.

[Underlining in original showing that the language is proposed.]

c. <u>RULE 12.2. WASHINGTON STATE BAR ASSOCIATION: PURPOSES,</u>
<u>AUTHORIZED ACTIVITIES, AND PROHIBITED ACTIVITIES</u>

The Washington State Bar Association was created in 1933 by the State Bar Act (RCW 2.48.010) as an agency of the state. In the exercise of its inherent and plenary authority to regulate the practice of law in Washington, the Supreme Court authorizes and supervises the Washington State Bar Association's activities. The Washington State Bar Association carries out the administrative responsibilities and functions expressly delegated to it by this rule and other Supreme Court rules and orders enacted or adopted to regulate the practice of law, including the purposes and authorized activities set forth below. . . .

[Underlining in original showing that the language proposed.]

# **Supreme Court Order of January 5, 2017**

- 39. On January 5, 2017, Defendant Justices of the Supreme Court, by Chief Justice Barbara Madsen, entered the Order attached hereto, Exhibit A.
  - 40. Defendants Justices ordered:
    - (a) That the lawyer license fees approved by the WSBA Board of Governors for the years 2018, 2019, and 2020 are reasonable.
    - (b) That the lawyer license fees proposed by the license fee rollback petition, if the petition were to pass, would not be reasonable both as to the level of fees that it proposes and as to the requirement that future license fee increases be tied to the consumer price index.
- 41. Defendants Justices and Defendant WSBA 2017 and Defendants Haynes, Littlewood and Ende say the Court has the power to make and enter the Order under General Rule (GR) 12.1(b)(22) which provides:
  - (b) Specific Activities Authorized. In pursuit of these purposes, the Washington State Bar Association may:
  - (22) Establish the amount of all license, application, investigation, and other related fees, as well as charges for services provided by the Washington

28

State Bar Association, and collect, allocate, invest, and disburse funds so that its mission, purposes and activities may be effectively and efficiently discharged.

The amount of any license fee is subject to review by the Supreme Court for reasonableness and may be modified by order of the Court if the Court determines that it is not reasonable.

# Referendum: License Fee Rollback

- 42. The WSBA Bylaws provide that, within 90 days of a final decision of the Board of Governors, any active member may file a referendum to reverse or modify that decision.
- 43. A license fee rollback petition was timely filed by active members of the WSBA with the Executive Director of the WSBA.
- 44. The petition seeks to reject the 2018-2020 fees approved by the Board of Governors and require that the fee amount for a given year not be increased by a greater percentage than the consumer price index (CPI) increased during the calendar year ending 12 months previous to the effective date of the increase.
  - 45. There are 2,180 WSBA member signatories to the petition.
  - 46. Only 1,604 (5% of active membership) were needed to qualify the petition.
  - 47. Plaintiff Eugster was one of the signatories of the petition.
- 48. Plaintiff Eugster wants, and has the right, to have the petition acted upon by Defendant WSBA and Defendants Haynes, Littlewood and Ende.

#### **COUNT ONE**

# **Court Should Make Declaratory Judgments**

- 49. The foregoing paragraphs and the following paragraphs in the Counts set out below are incorporated herein by this reference and are restated here.
- 50. This action is brought under and pursuant to the Washington Uniform Declaratory Judgments Act. RCW Ch. 7.24 (Declaratory Judgments Act).
- 51. RCW 7.24.020 (Rights and status under written instruments, statutes, ordinances) provides:

A person interested under a deed, will, written contract or other writings constituting a contract, or whose rights, status or other legal relations are

2

3

4

affected by a statute, municipal ordinance, contract or franchise, may have determined any question of construction or validity arising under the instrument, statute, ordinance, contract or franchise and obtain a declaration of rights, status or other legal relations thereunder.

52. RCW 7.24.050 (General powers not restricted by express enumeration) provides:

The enumeration in RCW 7.24.020 and 7.24.030 does not limit or restrict the exercise of the general powers conferred in RCW 7.24.010, in any proceeding where declaratory relief is sought, in which a judgment or decree will terminate the controversy or remove an uncertainty.

53. RCW 7.24.080 (Further relief.)

Further relief based on a declaratory judgment or decree may be granted whenever necessary or proper. The application therefor shall be by petition to a court having jurisdiction to grant the relief. When the application is deemed sufficient, the court shall, on reasonable notice, require any adverse party whose rights have been adjudicated by the declaratory judgment or decree, to show cause why further relief should not be granted forthwith.

54. RCW 7.24.090 (Determination of issues of fact) provides:

When a proceeding under this chapter involves the determination of an issue of fact, such issue may be tried and determined in the same manner as issues of fact are tried and determined in other civil actions, in the court in which the proceeding is pending.

55. RCW 7.24.120 (Construction of chapter) provides:

This chapter is declared to be remedial; its purpose is to settle and to afford relief from uncertainty and insecurity with respect to rights, status and other legal relations; and is to be liberally construed and administered.

- 56. Plaintiff Eugster has standing under the Declaratory Judgments Act:
- a. First, the interests for which he seeks protection are arguably within the zone of interests to be protected or regulated by Order in question.
- b. Second, the challenged action will have caused the challenger an injury in fact, economic or otherwise including damage to his fundamental rights protected by the First and Fifth Amendments to the United States Constitution.
- 57. A justiciable controversy between the Plaintiff and the Defendants: (1) There is an actual, present and existing dispute, or the mature seeds of one, as distinguished from a possible,

dormant, hypothetical, speculative, or moot disagreement, (2) between parties having genuine and opposing interests, (3) which involves interests that must be direct and substantial, rather than potential, theoretical, abstract or academic, and (4) a judicial determination of which will be final and conclusive.

- 58. Last, the Court can utilize its powers not only to settle disputes but also has the power of judicial determinations of which will be final and conclusive
  - 59. Plaintiff is entitled to declaratory and permanent injunctive relief. RCW Ch. 7.24.

#### **COUNT TWO**

# Last Paragraph of GR 12.1(b)(22)

- 60. The foregoing paragraphs and the following paragraphs in the Counts set out below are incorporated herein by this reference and are restated here.
  - 61. GR 12.1 Washington State Bar Association: Purposes provides in pertinent part:
    - (b) Specific Activities Authorized. In pursuit of these purposes, the Washington State Bar Association may:
    - (22) Establish the amount of all license, application, investigation, and other related fees, as well as charges for services provided by the Washington State Bar Association, and collect, allocate, invest, and disburse funds so that its mission, purposes and activities may be effectively and efficiently discharged.

The amount of any license fee is subject to review by the Supreme Court for reasonableness and may be modified by order of the Court if the Court determines that it is not reasonable. [Emphasis added.]

- 62. The language in the last paragraph of (22) is not an authorization and were it to be, it is a power given to the Supreme Court by the Supreme Court.
  - 63. This paragraph does not fit the overall purpose of GR 12.1.
- 64. The paragraph is not a regulation, it is a self professed power to force the WSBA to pass license fees determination such that the WSBA will finance and administer Court created programs, programs which the Court as created by legislation.
- 65. This paragraph does something else which is more sinister. It allows the court to impose its will arbitrarily on the BOG, and the members of the bar association.

28

#### **COUNT THREE**

# Power to Regulate and the Power to Appropriate

- 66. The foregoing paragraphs and the following paragraphs in the Counts set out below are incorporated herein by this reference and are restated here.
- 67. The issue of concern here is whether the term tax is, or can be included, in the meaning of the Court's "inherent and plenary authority to regulate the practice of law."
  - 68. The term regulate, a verb, means "to govern or direct according to rule." 5
  - 69. The term regulate does not include the power to tax.
- 70. The term regulate does not include the power of the one creating the regulation to create or reserve a power of nullification and new decision in the regulator, in this case the Supreme Court so as to force WSBA members to pay for the Court's programs.
- 71. The power to tax is defined as "a governmental assessment (charge) upon property value, transactions (transfers and sales), licenses granting a right, and/or income."
  - 72. Plaintiff is entitled to declaratory and permanent injunctive relief. RCW Ch. 7.24.

## **COUNT FOUR**

# **Washington Supreme Court Decisions and Power of the Court**

- 73. The foregoing paragraphs and the following paragraphs in the Counts set out below are incorporated herein by this reference and are restated here.
  - 74. The Court and the Justices subscribe to the following:

But the Supreme Court has made it clear, based on separation of powers, that it holds ultimate authority over the regulation of the Bar, the practice of law, and the WSBA itself—notwithstanding conflicting statutes.

WSBA Governance Task Force Report, June 2014<sup>7</sup> at page 23.

<sup>&</sup>lt;sup>5</sup> Webster's Third New International Dictionary, Unabridged, s.v. "regulate," accessed January 12, 2017, http://unabridged.merriam-webster.com.

<sup>&</sup>lt;sup>6</sup> Burton's Legal Thesaurus, 4E. S.v. "tax." Retrieved January 12 2017 from http://legal-dictionary.thefreedictionary.com/tax

http://www.wsba.org/~/media/Files/Legal%20Community/Bylaws%-20Work%20Group/WSBA%20Governance%20Task%20Force%20Report%20and%20Recommen dations%20-%20FINAL.ashx, retrieved January 10, 2017.

8

17 18

19

20 21

2223

2425

26 27

28

v. Wash. State Bar Ass'n, 80 Wn.2d 266, 272, 493 P.2d 1237 (1972); Graham v. State Bar Association, 86 Wn.2d 624 (1976); and, WSBA v. State of Washington, 125 Wn.2d 901 (1995).
76. These cases do not support the position "[that] based on separation of powers, [the Supreme Court] holds ultimate authority over the regulation of the Bar, the practice of law, and

75. The foregoing statement is said to be based on the following cases: State ex rel. Schwab

77. The Court has also enacted a number of rules governing admission to practice, discipline of attorneys, and related matters. Importantly, the Court enacted GR 12.1 which outlines permissible, required, and impermissible activities of the WSBA. WSBA Governance Task Force

the WSBA itself—notwithstanding conflicting statutes."

Report, June 20148 at page 23.

78. "WSBA itself—notwithstanding conflicting statutes." This statement is not an accurate statement. The conflicting statutes are the provisions of the Bar Act of 1933. These statutes continue to exist and stand for what they say unless and until it is determined otherwise. It is not

a given that the statutes have been said to have been superceded by the power of the Supreme Court. WSBA Governance Task Force Report, June 2014<sup>9</sup> at page 23.

79. The law of Washington does not give the Supreme Court the inherent power to tax or other wise expropriate funds of the treasury of WSBA 1933 or WSBA 2017.

80. The court should declare that the Order January 5, 2017 is void.

## **COUNT FIVE**

# **Inherent Power and Power to Appropriate Bar Funds**

- 81. The foregoing paragraphs and the following paragraphs in the Counts set out below are incorporated herein by this reference and are restated here.
- 82. The Court and the Justices of the Court, Defendants all, do not have the power of appropriation under the Washington Constitution.

http://www.wsba.org/~/media/Files/Legal%20Community/Bylaws%-20Work%20Group/WSBA%20Governance%20Task%20Force%20Report%20and%20Recommen dations%20-%20FINAL.ashx, retrieved January 10, 2017.

http://www.wsba.org/~/media/Files/Legal%20Community/Bylaws%-20Work%20Group/WSBA%20Governance%20Task%20Force%20Report%20and%20Recommen dations%20-%20FINAL.ashx, retrieved January 10, 2017.

- 83. Compelling the WSBA 2017 to pay for the costs administration of the Limited Practice Officer program, the Limited License Legal Technician program and to pay for and administer the various court boards amounts to an appropriation of funds of the WSBA 2107 and the appropriation of dues paid by lawyers including but not limited to Plaintiff Eugster.
  - 84. Plaintiff is entitled to declaratory and permanent injunctive relief. RCW Ch. 7.24

#### **COUNT SIX**

## **Fundamental Rights: Right of Non-association**

- 85. The foregoing paragraphs and the following paragraphs in the Counts set out below are incorporated herein by this reference and are restated here.
- 86. The Plaintiffs and other class members cannot be compelled to pay dues to the WSBA 2017: Compulsory dues violate Plaintiffs' and other class members right of freedom of speech, including the freedom not to speak and to not be forced to finance speech, Plaintiffs and class members do not consent to finance in the exercise of their rights under the First and Fourteenth Amendments to the United States Constitution.
- 87. This civil rights class action seeks immediate injunctive and declaratory relief to redress and prevent the deprivation of Plaintiffs' rights, and the rights of the class members he seeks to represent, against compelled speech and compelled association protected by the First and Fourteenth Amendments to the United States Constitution by practices and policies of Defendants acting under color of state law.
- 88. Specifically, those rights have been violated by Defendants' imposition of mandatory dues as a condition of membership to the Washington State Bar Association (WSBA), which is a prerequisite to the ability to practice law in the State of Washington.
- 89. Accordingly, Defendants currently maintain and actively enforce a set of laws, customs, practices, and policies under color of state law that deprive Plaintiffs and other class members of rights, privileges and/or immunities secured by the First and Fourteenth Amendments, and, therefore, Defendants are liable to Plaintiffs and other class members under 42 U.S.C. § 1983.
  - 90. Plaintiff is entitled to declaratory and permanent injunctive relief. RCW Ch. 7.24.

#### **COUNT SEVEN**

Freedom of Speech, First and Fourteenth Amendments

COMPLAINT FOR DECLARATORY

DETERMINATIONS, JUDGMENTS AND INJUNCTIONS - 15

Eugster Law Office PSC 2418 West Pacific Avenue Spokane, Washington 99102-6422 (509) 624-5566 / eugster @eugsterlaw.com

6

7

10

14

18

17

20

19

21

22

2324

25

26

27 28

- 91. The foregoing paragraphs and the following paragraphs in the Counts set out below are incorporated herein by this reference and are restated here.
- 92. Compulsory dues violate Plaintiffs' and other class members right of freedom of speech, including the freedom not to speak and to not be forced to finance speech, Plaintiffs and class members do not consent to finance in the exercise of their rights under the First and Fourteenth Amendments to the United States Constitution.
- 93. This civil rights class action seeks immediate injunctive and declaratory relief to redress and prevent the deprivation of Plaintiffs' rights, and the rights of the class members he seeks to represent, against compelled speech and compelled association protected by the First and Fourteenth Amendments to the United States Constitution by practices and policies of Defendants acting under color of state law.
- 94. Specifically, those rights have been violated by Defendants' imposition of mandatory dues as a condition of membership to the Washington State Bar Association (WSBA), which is a prerequisite to the ability to practice law in the State of Washington.
- 95. Accordingly, Defendants currently maintain and actively enforce a set of laws, customs, practices, and policies under color of state law that deprive Plaintiffs and other class members of rights, privileges and/or immunities secured by the First and Fourteenth Amendments, and, therefore, Defendants are liable to Plaintiffs and other class members under 42 U.S.C. § 1983.
- 96. Plaintiffs and other class members have no adequate legal remedy by which to prevent or minimize the continuing irreparable harm to their constitutional rights.
  - 97. Plaintiff is entitled to declaratory and permanent injunctive relief. RCW Ch. 7.24.

## **COUNT EIGHT**

# **Fundamental Rights: Due Process of Law**

- 98. The foregoing paragraphs and the following paragraphs in the Counts set out below are incorporated herein by this reference and are restated here.
  - 99. The Fifth and Fourteenth Amendments guarantee to Plaintiff Eugster due process of law.
- 100. Accordingly, Defendants currently maintain and actively enforce a set of laws, customs, practices, and policies under color of state law that deprive Plaintiff his rights, privileges and/or

9

11

13

17

18 19

20

21 22

23

24 25

26 27

28

immunities secured by the Fifth and Fourteenth Amendments, and, therefore, Defendants are liable to Plaintiffs and other class members under 42 U.S.C. § 1983.

101. Plaintiff is entitled to declaratory and permanent injunctive relief. RCW Ch. 7.24.

#### **COUNT NINE**

# **Constitutional Scrutiny**

- 102. The foregoing paragraphs and the following paragraphs in the Counts set out below are incorporated herein by this reference and are restated here.
- 103. The Doctrine of Constitutional Scrutiny includes various levels of scrutiny): Strict scrutiny is described in the following:

The words 'strict judicial scrutiny' appear nowhere in the U.S.Constitution. Neither is there any textual basis, nor any foundation in the Constitution's original understanding, for the modern test under which legislation will be upheld against constitutional challenge only if 'necessary' or 'narrowly tailored' to promote a 'compelling' governmental interest. Nonetheless, strict scrutiny - a judicially crafted formula for implementing constitutional values - ranks among the most important doctrinal elements in constitutional law.

Richard H. Fallon, Jr., Strict Judicial Scrutiny, 54 UCLA L. Rev. 1267, 1268 (2007).

- 104. There are certain facts which establish that the infringements of Plaintiffs' and class members' fundamental constitutional rights under the doctrine of constitutional scrutiny cannot be permitted.
- 105. The infringements of the discipline system to Plaintiff's fundamental rights cannot be supported under constitutional scrutiny whether strict or exacting scrutiny.
- 106. Plaintiffs' fundamental rights of procedural due process under the Fifth and Fourteenth Amendments to the United States Constitution are also affected by the actions of Defendants.
- 107. There is no compelling state interest which justifies the infringement of Plaintiff Eugster's rights under the law and the First and Fifth Amendments to the United States Constitution.
- 108. Exacting scrutiny was described not long ago in Knox v. Service Employees Intern. Union, 132 S. Ct. 2277 (2012). The Nebraska Supreme Court In Re Petition for a Rule Change, 286 Neb. 1018, 841 N.W.2d 167, 177 (Neb. 2013) discussed the scrutiny test follows:

We made it clear that compulsory subsidies for private speech are subject to exacting First Amendment scrutiny and cannot be sustained unless two criteria are met.

First, there must be a comprehensive regulatory scheme involving a "mandated association" among those who are required to pay the subsidy.

. . . Such situations are exceedingly rare because, as we have stated elsewhere, mandatory associations are permissible only when they serve a "compelling state interes[t] . . . that cannot be achieved through means significantly less restrictive of associational freedoms . . . .

Second, even in the rare case where a mandatory association can be justified, compulsory fees can be levied only insofar as they are a "necessary incident" of the "larger regulatory purpose which justified the required

109. The Knox exacting scrutiny test can be rephrased as follows:

association."

- a. There must be a "comprehensive regulatory scheme."
- b. The comprehensive scheme must involve a "mandated association" among those required to pay the subsidy.
  - c. The comprehensive scheme must serve a compelling state interest.
- d. The compelling state interest cannot be achieved through means significantly less restrictive of associational freedoms.
- e. The compulsory fees can only be levied if they are "necessary incident" of the "larger regulatory purpose which justified the required association." They are not.
- 110. Plaintiff is entitled to declaratory and permanent injunctive relief. RCW Ch. 7.24.

#### **COUNT TEN**

## **Accounting and Reimbursement**

- 111. The foregoing paragraphs and the following paragraphs in the Counts set out below are incorporated herein by this reference and are restated here.
- 112. As stated previously, the Defendants have caused the Court to impose the costs of and efforts of management, administration, employees necessary to fund the LPO program APR 12(b)(3), the LLLT program APR 28 [C.] (4) and various Boards and Commissions GR 12.2.
- 113. The court did not have the power to impose these costs and responsibilities on the WSBA.
  - 114. An accounting should be undertaken to determine how much the WSBA has expended.
  - 115. The amount of the expenditures should be reimbursed to the WSBA.

## **PRAYER FOR RELIEF**

Plaintiff Eugster asks the court to do the following:

- 1. Declare that under the laws and Constitution of the State of Washington the Court does not have inherent and plenary to dictate to the Washington Bar Association and its members they must fulfill and pay for the programs and undertakings of the Supreme Court and Justices of the Court.
- 2. Declare that even if the Court has inherent power, such power does not eclipse the power of the state or legislature to legislate and appropriate.
- 3. Entry of judgment that Court violates the law by forcing the bar association to use its resources to pay for the programs the court has created and is forcing the association to pay for and maintain.
- 4. Entry of judgment that the Order of January 5, 2017 violates Plaintiff's rights, privileges, and/or immunities secured to him by the First and Fourteenth Amendments and under 42 U.S.C. § 1983:
- 5. Entry of judgment that the Order of January 5, 2017 violates Plaintiff's rights, privileges, and/or immunities secured to him by the Fifth and Fourteenth Amendment and under 42 U.S.C. § 1983;
  - 6. Declare that the Order of January 5, 2017 is void.
- 7. Determine the amount of undertakings and expenses the WSBA has incurred in order to comply with the undertakings by the court which have been passed on to the WSBA and enter judgments jointly and severally against Defendants for the WSBA.
- 8. Entry of preliminary and permanent injunctions against Defendants prohibiting the use of the WSBA Washington Lawyer Discipline System unless and until it is changed to properly safeguard the First, Fifth and Fourteenth Amendment rights of Plaintiff;
- 9. This Court should grant such "further relief based on the judgments herein as necessary and/or proper to enforce its declaratory judgments and determinations";
- 10. Award Plaintiff Eugster his costs, expenses, and attorneys' fees in accordance with law, including 42 U.S.C. § 1988;

- 11. Award Plaintiff Eugster attorneys fees under equitable grounds for the recovery of amounts from Defendants to be paid to the WSBA.
  - 12. Award Plaintiff such further relief as is just and equitable.

January 17, 2017

**EUGSTER LAW OFFICE PSC** 

Stephen Kerr Eugsler

Stephen K. Eugster, WSBA #2003 2418 West Pacific Avenue Spokane, Washington 99201-6422 (509) 624-5566 / eugster@eugsterlaw.com

C:\Wip\A\_A\_Cases\_WSBA\Case\_10 Court Power\2017\_01\_17\_complaint.wpd

COMPLAINT FOR DECLARATORY
DETERMINATIONS, JUDGMENTS AND INJUNCTIONS - 20

Eugster Law Office PSC 2418 West Pacific Avenue Spokane, Washington 99102-6422 (509) 624-5566 / eugster @eugsterlaw.com

JAN - 5 2017

VASHI IGTON STATE

HERE EME COURT

# THE SUPREME COURT OF WASHINGTON

IN THE MATTER OF THE WSBA BOARD OF GOVERNOR'S APPROVAL OF LAWYER LICENSE FEES FOR 2018, 2019 AND 2020, AND THE LICENSE FEE ROLLBACK PETITION

ORDER

NO. 25700-B-571

On September 29, 2016, the Washington State Bar Association (WSBA) Board of Governors approved lawyer license fees for the years 2018 through 2020 as follows: \$449 in 2018, \$453 in 2019, and \$458 in 2020. The WSBA Bylaws provide that, within 90 days of a final decision of the Board of Governors, any active member may file a referendum to reverse or modify that decision. A license fee rollback petition was timely filed by active members of the WSBA with the Executive Director of the WSBA. The petition seeks to reject the 2018-2020 fees approved by the Board of Governors and require that the fee amount for a given year not be increased by a greater percentage than the consumer price index (CPI) increased during the calendar year ending 12 months previous to the effective date of the increase. Under GR 12.1(22), the amount of any license fee is subject to review by the Supreme Court for

745/66

<sup>&</sup>lt;sup>1</sup> The petition states: "The fee amount for a given year shall not be increased by a greater percentage than the consumer price index (CPI) shall have increased during the calendar year ending 12 months previous to the effective date of the increase. The consumer price index shall be as defined as the Seattle Area CPI for all Urban Consumers (CPI-U), issued by the U.S. Bureau of Labor Statistics."

IN THE MATTER OF THE WSBA BOARD OF GOVERNOR'S APPROVAL OF LAWYER LICENSE FEES FOR 2018, 2019 AND 2020, AND THE LICENSE FEE ROLLBACK PETITION Order – Page Two

reasonableness and may be modified by order of the Court if the Court determines that the fee is not reasonable. After consideration of the Board's lawyer license fees approved for 2018, 2019, and 2020, and the license fee rollback petition, the Court, by majority, enters the following order pursuant to GR 12.1(22):

Now, therefore, it is hereby

#### ORDERED:

- (a) That the lawyer license fees approved by the WSBA Board of Governors for the years 2018, 2019, and 2020 are reasonable.
- (b) That the lawyer license fees proposed by the license fee rollback petition, if the petition were to pass, would not be reasonable both as to the level of fees that it proposes and as to the requirement that future license fee increases be tied to the consumer price index.

DATED at Olympia, Washington, this \_\_\_\_\_ day of January, 2017.

For the Court

CHIEF JUSTICE/